

November 3, 2023

Weather:

WORLD WEATHER HIGHLIGHTS FOR NOVEMBER 3, 2023

- Another wind and rain storm is coming to Western Europe tonight and Saturday producing excessive wind, heavy rain and localized flooding.
- Waves of rain will continue to keep western Europe west with local flooding expected eventually
- Central America flooding is expected from northeastern Nicaragua through eastern and northern Honduras to Belize over the next several days with wet weather in other parts of the region
- Additional rain in Argentina overnight has made the past two days of rain ideal for soybean, corn and sunseed planting and winter wheat development in Buenos Aires will benefit as well
- Argentina will see beneficial drying through Tuesday and then some mid- to lateweek rain next week in central and eastern parts of the nation maintaining moisture abundance
- Western Argentina is going to need more rain soon
- Southern Brazil heavy rain evolved Thursday and will linger today, but end tonight
 with dry weather expected through mid-week next week finally helping flood water
 to abate
 - More rain is expected later next week and into the following weekend, though
- Mato Grosso to northeastern Brazil and some northern center south crop areas will get rain Saturday into Wednesday and then trend drier again; the moisture will offer temporary improvement and provide relief from recent dryness, but much more rain will still be needed
- Limited or erratic rainfall is expected in center west and northeastern Brazil during the November 11-17 period
- Western Australia will continue drier than usual, although it is getting too late for the dryness to have much additional impact on production outside of the far south
- Rain in southeastern Queensland and northeastern New South Wales, Australia will be good for dryland sorghum and cotton planting during the coming week, but more rain will be needed and western production areas will not get much moisture

- Unusual warmth in western Asia and eastern Europe will support new winter crop development in southern areas that have recently received rain
- U.S. warming will improve wheat establishment potentials
- U.S. central and southern Plains will be dry for at least a full week
- Rain is needed in western Kansas, southeastern Colorado and the Texas Panhandle
- Drought in the southeastern U.S. will prevail for at least another ten days
- U.S. harvest weather will be improving over the coming week only erratic precipitation and warmer temperatures

News:

Gulke Group 2024 Winter Palm Springs Conference: This year the conference is set to take place at the Omni Rancho Las Palmas in Rancho Mirage, CA on Feb. 21-23. Current speakers include Drew Lerner on Weather, Roger Wallace on Livestock, Jamie Wasemiller on insurance, Michael Drury on economy and Jerry Gulke.

The conference will start at noon on Wednesday (Feb. 21) and conclude around noon on Friday (Feb. 23). The fee is \$695 for the conference for clients and \$2000 for non-clients. If you have a second person within the household/company wanting to attend the conference the additional fee would be \$550. You can sign up by calling or texting Jamie at 707-365-0601.

GROUP RATES: Rooms for Tuesday-Friday will be \$299 + tax. This rate will be available on days before and after the conference in case you want to extend your stay more than the 3-day conference. We believe there is the yearly antique automobile sale that weekend which is fun to attend. **The cut-off date for accepting reservations into this room block is January 16, 2024. Call the Omni at 1-800-843-6664 to make your room reservations and mention the Gulke Group.**

- USDA reported private sale of 131,150 metric tons of soybeans for delivery to unknown destinations during the 2023/2024 marketing year.
- Grain trade sources reported 50,000 mt of US mill grade Wheat was bought by group of South Korean flour mills.
- Grain trade sources noted Egypt's GASC bought a total of 50,500 mt of vegoil oils at their tender today, that total includes 23,000 mt of Soyoil and 27,500 mt of sunflower oil.
- The Buenos Aires Grain Exchange pegged the 23/24 Argentina wheat production at 15.4 mln mt, that is off -800,000 mt from their previous forecast.
- Argentine farmers received a "blessing" of 50-60 millimeters (2-2.4 inches), providing relief to the country's thirsty corn crop and an opportunity for farmers to begin sowing the soybeans campaign, the Rosario grains exchange said. Up to 30 millimeters of rain fell in Argentina's agricultural region over the weekend, on top of some 45.5 millimeters the previous week a needed boost after a drought battered the country's farming heartland in winter and early spring.

- The Rosario grain exchange estimated around 25% of the 8.5 mln hectares of 23/24 Corn in Argentina has been planted so far, the forecast for the season's harvest is around 56.0 mln mt.
- Indonesia's domestic palm oil consumption for biodiesel will exceed its consumption for food for the first time in 2023, the Indonesia Palm Oil Association said. Meanwhile, the country's palm oil output is expected to drop at least 1 MMT next year due to impacts from El Niño. Indonesia is expected to fully implement mandatory B35, biodiesel using 35% palm oil mix, in 2024.
- China's PetroChina is proposing to buy up to 8 million barrels a month of Venezuelan crude from state-run oil company PDVSA, according to people familiar with the matter, hoping to resume a trade suspended four years ago by U.S. sanctions. In October, the U.S. Treasury Department temporarily lifted the sanctions, paving the way for Venezuela to resume exporting crude, gas and fuel to its best customers.

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Market Fundamentals:

Yesterday's Trades: No new trades.

COMMENTS/ADVICE: If there is harvest pressure it is difficult to find in soybeans and even corn there is evidence that domestic buyers are short bought and using basis to buy needs. Corn continues to be a domestic market with soybeans emerging from domestic to more of a global outlook. Wheat struggles.

S. Am weather: Drew Lerner out today with concerns of prolonged problems.

Weather adversity in Brazil continues with too much rain in the south and some areas
in the north not getting enough. The situation is still somewhat similar to the 2015-16
El Nino event, but there is something else amiss here and it could lead to a more prolonged period of uneven or erratic rainfall in center west and northeastern crop areas
as the growing season prevails.

For The Week: We've mentioned the transition from one commodity to another with wheat, soybeans and corn—in that order of favoritism. Soybeans took the lead with Corn still the weakest as harvest increases. Spreads have been affected and keeping shorts in out of the money sold call options while we wait has been the focus. –see yesterday's comments. **CH down 10**

SF soybeans after an 18 cent move up last Friday, SF backed off and the rally the last two days has Jan breaking above the 50 day average for the first time in six weeks. Doing so successfully on a weekly basis is a victory of sorts and states that S American soybean production has been on the minds of traders for some time and mores the last two days.

- Soy oil, palm oil and Canola all weaker for the week.
- Soy Meal flirting with the first lower close for the week in 3 weeks. Negative bias in process on numerous fronts barring a major up move today. Closing below \$424 is new lows for the week, below last Friday high of \$442.40 and off \$24 for the week—so a significant week.
- How soon will media start touting S American need for good crop????? See weather---if Drew is correct—it may affect the whole US soy complex so volatility and risk apparent---meal should retreat but if it does not???

Wheat Chicago: unchanged

MEATS: all higher for the week with biggest gains coming late week.—We have no hedges.

	Gulke Grou	pSpec Table B	uy/Sell Stops	(*New Positions in BOLD)					
1		11/2/2023		Today's	s Stops	Current Position*			
	High	Low	Close	Buy	Sell	Long	Short		
CZ23	477	469 1/2	470	478	462	20 27	483		
CH24	492	484 1/2	485	493	477		497		
SF24	1330	1315	1328 1/4	1343 3/4	1312 3/4	1294 1/2			
SN24	1362 3/4	1350	1360 3/4	1374	1347 1/2	1346			
SMZ23	434.5	422.5	426.3	438.5	414.2	382.4			
BOZ23	50.58	49.32	50.32	52.08	48.56		60.17		
WZ23	569 1/2	557 1/4	565 1/2	578 1/4	552 3/4		573 1/2		
WH24	596 1/4	585 1/4	592 3/4	604 1/4	581 1/4		602 1/4		
KWH24	660 1/4	646 3/4	652 3/4	666 3/4	638 3/4		682		
MWH24	733 3/4	728	729 3/4	736	723 1/2		747		
LCZ23	184.850	183.925	184.675	186.100	183.250	181.575			
LCG24	186.500	185.275	186.425	187.850	185.000	182.450			
LHZ23	73.375	70.075	73.275	76.775	69.775	72.475			
LHG24	76.350	73.350	76.225	79.425	73.025	75.550			
FCF24	242.275	238.550	242.175	246.100	238.250	239.725			
CTZ23	80.82	79.48	79.800	81.19	78.41		87.23		
CTH24	82.98	81.68	82.240	83.74	80.74		85.37		
SBH24	27.72	27.10	27.480	28.15	26.81	27.60			
GCZ23	1999.2	1986.3	1993.10	2006.50	1979.70		1988.80		
NRH24	16.31	16.06	16.09	16.38	15.81		16.305		
DJZ23	33934.00	33338.00	33914	34530	33298	33799			
CLZ23	82.83	80.22	82.46	85.27	79.65		85.56		
NGZ23	3.520	3.401	3.472	3.606	3.338	3.480			
DXZ23	106.34	105.650	106.000	106.89	105.12		105.430		
USZ23	112 31/32	110 31/32	112 16/32	114 24/32	110 8/32		108 16/32		

RESULTS HAVE MANY INHERENT LIMITATIONS, SOME OF WHICH ARE DESCRIBED BELOW. NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT WILL OR IS LIKELY TO ACHIEVE PROFITS OR LOSSES SIMILAR TO THOSE SHOWN. IN FACT, THERE ARE FREQUENTLY SHARP DIFFERENCES BETWEEN HYPOTHETICAL PERFORMANCE RESULTS AND THE ACTUAL RESULTS SUBSEQUENTLY ACHIEVED BY ANY PARTICULAR TRADING PROGRAM.

ONE OF THE LIMITATIONS OF HYPOTHETICAL PERFORMANCE RESULTS IS THAT THEY ARE GENERALLY PREPARED WITH THE BENEFIT OF HINDSIGHT. IN ADDITION, PROGRAM IN SPITE OF TRADING LOSSES ARE MATERIAL POINTS WHICH CAN ALSO ADVERSELY AFFECT ACTUAL TRADING RESULTS. THERE ARE NUMEROUS OTHER FACTORS RELATED TO THES IN GENERAL OR TO THE IMPLEMENTATION OF ANY SPECIFIC TRADING PROGRAM WHICH CANNOT BE FULLY ACCOUNTED FOR IN THE PREPARATION OF HYPOTHETICAL PERFORMANCE RESULTS AND ALL OF WHICH CAN ADVERSELY AFFECT ACTUAL TRADING RESULTS.

THE GULKE GROUP HAS HAD LITTLE OR N\O EXPERIENCE IN TRADING ACTUAL ACCOUNTS FOR ITSELF OR FOR CUSTOMERS. BECAUSE THERE ARE NO ACTUAL TRADING RESULTS TO COMPARE TO THE HYPOTHETICAL PERFORMANCE RESULTS, CUSTOMERS SHOULD BE PARTICULARLY WARY OF PLACING UNDUE RELIANCE ON THESE HYPOTHETICAL PERFORMANCE RESULTS. This composite performance records are hypothetical and are used as a guide for position tracking purposes. Execution prices are an average execution price of the first ten trades recorded after advice has been posted and are net of average round turn commissions of \$33.00 for futures and \$36 for options and round turn fees of \$5.24 for grains and \$5.40 for livestock. In the event less than 10 trades are executed, prices will be determined by looking at fills, in relation to when the advice was given to clients, and a commonsense price will be determined. The closing price on the previous day is used to determine the P/L listed in the Morning Comments. One of the limitations of a hypothetical composite performance records is that client decisions relating to the recipient's advice may or may not elect to act upon such advice and timing of execution by clients of advice may create a difference in the execution price represented in the matrix below. Therefore, composite performance records may differ which may materially affect trading results.

HYPOTHETICAL HEDGING POSITION MATRIX 2023 Corn - margin= \$1625			2023 SOVE	11/3/2023 EANS - margin= \$2500				2022 WHEAT - margin= \$2450					
Date	Action	Price	Status	% Hedged	Date	Action	Price	Status	% Hedged	Date	Action	Price	Status
	res price day of sale)	TILCE	Status	70 Heugeu		es price day of sale)	1 IICE	Status	70 Heugeu	_	s price day of sale)	TITLE	Status
	Sold CASH vs. CZ	621 1/2	\$7,536.76	5.0%	12/1/2022	Sold CASH vs. SX23	1387	\$4,111.76	15.0%	3/31/2022	Sold CASH vs. WN22	1021	\$11,299.2
0/22/23	SUIU CASIT VS. CZ	021 1/2	\$1,330.10	3.0%	1/4/2023	Sold CASH vs. SX23	1389 1/2	\$4,236.76	5.0%	6/17/2022	Sold CASH vs. WZ22	1076	\$17,349.2
		Total		5.0%						9/2/2022	Sold CASH vs. WZ22		,
- 1 10		Total		0.0%	1/5/2023	Sold CASH vs. SX23	1386 1/4	\$4,074.26	5.0%			804	\$3,749.20
Futures/Op		40.414	0405.04	40.000/	1/20/2023	Sold CASH vs. SX23	1352 1/2	\$2,386.76	5.0%	9/14/2022	Sold CASH vs. WZ22	860	\$6,549.26
	Sold Mar 500 calls(10%)	18 1/4	\$165.01	10.00%	3/13/2023	Sold CASH vs. SX23	1340 1/4	\$1,774.26	5.0%	9/16/2022	Sold CASH vs. WZ22	836 1/2	\$5,374.26
9/29/2023	Sold Mar 500 calls(10%)	19 1/8	\$208.76	10.00%	4/4/2023	Sold CASH vs. SX23	1317 1/4	\$624.26	10.0%	12/2/2022	Sold CASH vs. WH23	767	\$3,986.70
	Futures/Options Hedged			20.0%	10/3/2023	Sold CASH vs. SF24	1290	(\$1,950.74)	10.0%	1/4/2023	Sold CASH vs. WH23	745 1/2	\$2,911.76
	Total Hedged(included C	ASH)		25.0%			Total	111111111111111111111111111111111111111	55.0%			Total	
End User C	Coverage - Corn				Futures/Op	tions				Futures/Option	ons		
Date	Action	Price	Status	% Hedged									
1st Quarter	2024										Futures/Options Hedged		
						Futures/Options Hedged			0.0%		Total Hedged(included C	ASH)	
		Total		0.0%		Total Hedged(included CAS	SH)		55.0%	2023 WHEAT	- margin= \$2450	-	
2nd Quarte	r 2024				2024 Soybe	124 Soybeans - margin - Date Action		Price	Status				
Ziiu Quaitei	1 2027				Date	Action	Price	Status	% Hedged		price day of sale)	Tilloc	otatus
		Total		0.00/			FIICE	Status	76 neugeu			000	£12.10£.7
2-40	-0004	Total		0.0%	Futures/Op	uona				9/30/2022	Sold CASH vs. WN23	906	\$13,186.7
3rd Quarte	2024					F. t			6.60	12/2/2022	Sold CASH vs. WN23	785 1/2	\$7,161.76
				0.000		Futures/Options Hedged	<u> </u>	1	0.0%			Total	
		Total		0.0%		Total Hedged(included CAS	SH)		0.0%	Futures/Option	ons		
4th Quarter	2024					a - margin = \$880CD			11111		300 004 200		
					Date	Action	Price	Status	% Hedged		Futures/Options Hedged		
		Total		0.0%	Cash (futur	es price day of sale)					Total Hedged(included C	ASH)	
Live Cattle	- margin = \$1600	•			3/31/2022	Sold CASH vs. RSX22	964.00	\$1,017.76	15%	2022 KC WHI	EAT - margin= \$2550		Status
Date	Action	Price	Status	% Hedged	1/19/2023	Sold CASH vs. RSH23	825.20	\$691.36	10%	Date	Action	Price	
Spring 202	Mario California				3/8/2023	Sold CASH vs. RSH23	834.90	\$846.56	35%		price day of sale)		
opinig Lor	1				6/23/2023	Sold RSX	710.00	\$704.16	15%	3/31/2022	Sold Cash vs. KWN22	1040	\$8,599.26
1		Total		0.0%	0/23/2023	JOIN NOV	Total	3104.10	75.0%	6/17/2022	Sold Cash vs. KWZ22	1141	\$13,524.2
Fall 2024		Iotai		0.070	Futures/Op	tions	IOtal		10.070	9/2/2022	Sold Cash vs. KWZ22	878	\$374.26
Fall 2024					rutures/Op	uons							
ii .										12/2/2022	Sold Cash vs. KWH23	872	\$2,886.76
		Total		0.0%		Futures/Options Hedged			0.0%	1/4/2023	Sold Cash vs. KWH23	838 1/2	\$1,211.76
	tle - Producer - margin = \$2	850				Total Hedged(included CAS	SH)		75.0%			Total	
Date	Action	Price	Status	% Hedged	2023 Canol	a - margin = \$880CD	18910	·· · · · · · · · · · · · · · · · · · ·		Futures/Option	ons		
Spring 202	4				Date		Price	Status	% Hedged				
					Cash (futur	es price day of sale)					Futures/Options Hedged		
		Total		0.0%			Total		0.0%	Total Hedged(included CASH)			
Fall 2024					Futures/Op	tions	1 1 1 1 1			2023 KC WHEAT - margin= \$2550			
										Date	Action	Price	Status
		Total		0.0%		Futures/Options Hedged			0.0%	Cash (futures	s price day of sale)		
Live Hors	- margin = \$1600	Total		0.070		Total Hedged(included CAS	H)		0.0%	9/30/2022	Sold CASH vs. KWN23	952	\$7,099.26
Date	Action	Price	Status	% Hadgad	2023 WN W	HEAT - margin= \$3000	,,,,		0.070	12/2/2022		861	
	1/15 (VIII 24 C)	FIICE	Status	% Hedged			D.C.	04-4	0/ 11- 4 4	12/2/2022	Sold CASH vs. KWN23		\$2,549.26
4th Quarter	2023				Date	Action	Price	Status	% Hedged	F (10 "	Tarana and a same and	Total	
						es price day of sale)				Futures/Option	ons		
		Total		0.0%		Sold CASH vs. MWU23	944	\$9,524.26	15%				
1st Quarter	2024				12/2/2022	Sold CASH vs. MWU23	906 1/4	\$7,636.76	10%		Futures/Options Hedged		
						100	Total		25%		Total Hedged(included C	ASH)	
		Total		0.0%	Futures/Op	tions	0.000			Energy			
2022 Cotto	n - margin = \$3500	•								Date	Action	Contracts	Price
Date	Action	Price	Status	% Hedged		Futures/Options Hedged			0.0%				
	Sold CASH vs. CTZ22	111.53	\$11,529.76	15%		Total Hedged(included CAS	H)		25.0%	Spec			
				15%	2022 MALW	HEAT - margin= \$3000	,,,,		20.070	Date	Antion	Contracto	Price
	Sold CASH vs. CTZ22	112.50	\$11,917.76				In :	01.1	0/11 1 1	Date	Action	Contracts	FIICE
	Sold CASH vs. CTH23	82.89	\$1,021.76	10%	Date	Action	Price	Status	% Hedged				
	Sold CASH vs. CTN23	81.35	\$21.76	10%		es price day of sale)							
4/20/2023	Sold CASH vs. CTK23	79.50	(\$850.24)	10%		Sold CASH vs. MWU22	1040	\$5,661.76	10%		Livestock Trading Hours		
	11 YEAR 25		Total	60%		Sold CASH vs. MWZ22	1188 3/4	\$12,424.26	10%	Mon - Fri	8:30 am to 1:05 pm CST	No Night Tr	ading
2023 Cotto	n - margin = \$3500				9/2/2022	Sold CASH vs. MWZ22	896	(\$2,213.24)	10%		Grain Trading Hours		
Date	Action	Price	Status	% Hedged	12/2/2022	Sold CASH vs. MWH23	928	\$4,086.76	10%	Sun - Fri	7pm to 7:45am and 8:30an	to 1:20pm CS	Τ
	Sold Dec Futures	80.20	\$121.76	10%	1/4/2023	Sold CASH vs. MWH23	903	\$2,836.76	5%			, 50	
	Sold Dec Futures	81.65	\$701.76	10%			Total	,	45%				
	Sold Dec Futures	80.62	\$289.76	10%	Futures/Op	tions	10mi		7070				
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	Sold Doc Entures	0 0 1 0											
	Sold Dec Futures	84.38	\$1,793.76	15%		Euturon/Ontions Hadred			0.00/				
	Sold Dec Futures	84.38	\$1,793.76 Total	45%		Futures/Options Hedged Total Hedged(included CAS			0.0% 45.0%				